

Headquarters U.S. Air Force

Integrity - Service - Excellence

Recording Small Business Subcontracting Goal Achievement in CPARS



May 2004



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Overview



- Background
- Small Business Subcontracting and CPARS
- Inclusion in the CPARS Forms
- Collection Responsibility



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Background



Statutory requirement (FAR 19.7)

Any contractor receiving a contract...must agree in the contract that small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business and women-owned small business concerns WILL have the MAXIMUM practical opportunity to participate in contract performance consistent with its efficient performance. [emphasis added]



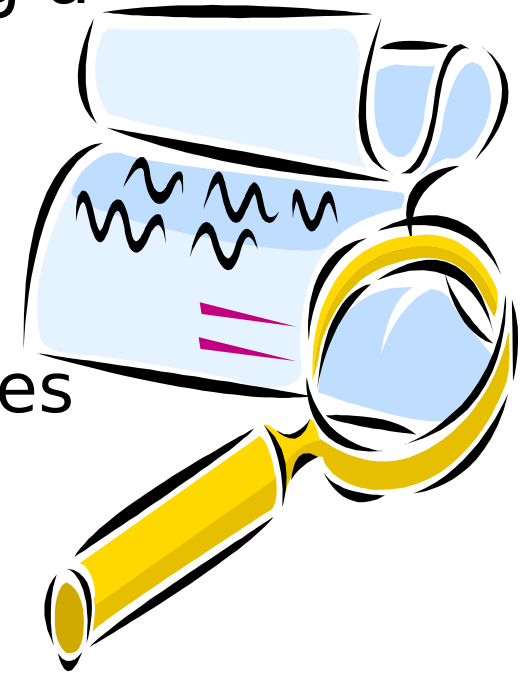


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Background (con't)



- What are the criteria for requiring a subcontracting plan?
 - >\$500k or >\$1M (construction only)
 - When subcontracting opportunities exist (otherwise must have a waiver)
 - If an acceptable subcontracting plan is NOT negotiated, the offeror will be ineligible for award



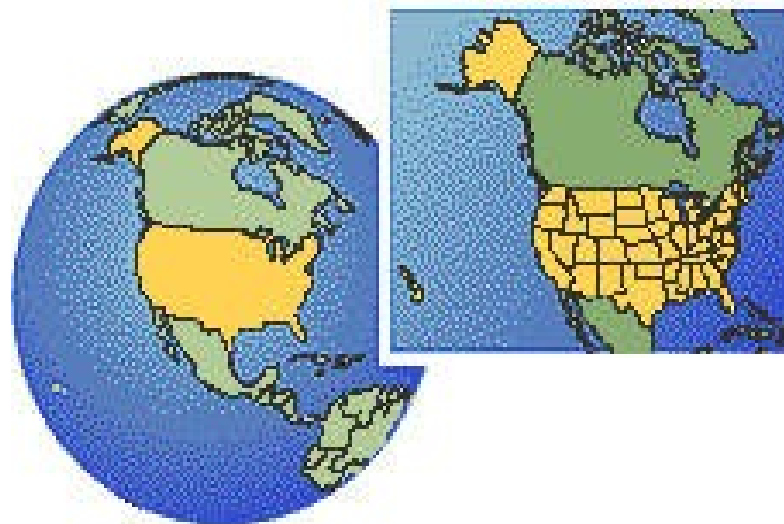


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- Subcontracting plan is NOT required...
 - from Small Businesses
 - for overseas contracts
 - when a waiver is in place (no subcontracting opportunities exist)





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- When a contract has a small business subcontracting plan, it **must** have a SF294 and SF295 filed semi-annually (April and October)
 - Submittal dates of the 294/295 can coincide with CPARS submittal dates for those evaluations which have periods of performance through Sep

Subcontracting Plan = SF294 + SF295



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Small Business Subcontracting and CPARS



So, what are the
SF294 and SF295...
and WHAT do they
have to do with
CPARS?





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Small Business Subcontracting and CPARS (con't)



- SF294 (Subcontracting Report for Individual Contracts)
 - Must be submitted for each contract which has a subcontracting plan
 - It's specific to THAT one contract
 - Submitted to PCO (buying office)
 - Copy also sent to DCMA and SBA





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Small Business Subcontracting and CPARS (con't)



- SF295 (Summary Subcontract Report)
 - *Roll up* of all DoD contracts held by the division or separate cost center
 - Submitted to DCMA
 - Copy sent to PCO (buying office and SBA)





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Small Business Subcontracting and CPARS



- Some companies are participants in the *DoD Comprehensive Test Program*
 - Don't submit 294s
 - DO submit their data on 295s
 - Submit data to either DCMA-West or DCMA-East monitors

(con't)

- Documentation of comprehensive plan performance should still be included in the CPAR; ask your Administrative Contracting Officer to input





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Small Business Subcontracting and CPARS (con't)



- Small Business Subcontracting Goal achievement needs to be addressed in the annual evaluation (CPARS) because...

As DoD source selection officials, we evaluate how Contractors do in awards to small businesses (DFARS 215.304)





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Small Business Subcontracting and CPARS (con't)



DFARS 215.305(a)(2): *Past performance evaluation.* When a past performance evaluation is required...the evaluation factors SHALL include the past performance of offerors in complying with requirements of [the “Utilization of Small...Business Concerns”] clause. [emphasis added]





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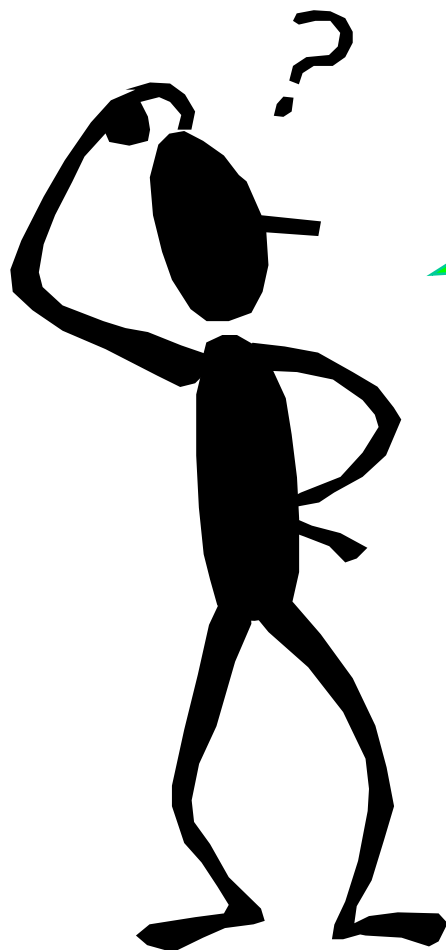
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Inclusion in the CPARS Forms



So, where do we include the 294/295 data in the CPARS?

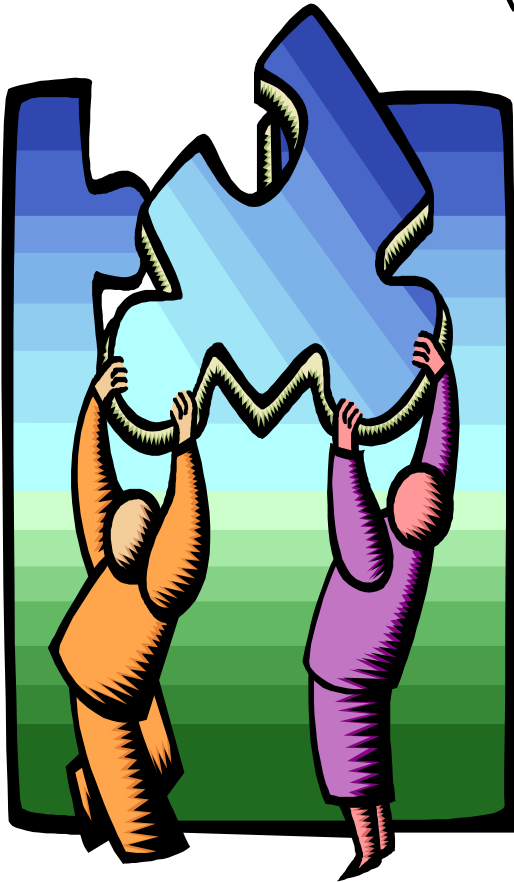


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Inclusion in the CPARS Forms (con't)



- The Systems form
 - Under Management/Subcontract Mgt (Block 18d(2))
 - **Assess the Contractor's success with timely award and management of subcontracts, including whether the Contractor met small business goals**
 - Identify the percentage of contract work that was represented by the subcontracted efforts and assess the prime Contractor's effort devoted to managing subcontracts and whether subcontractors were an integral part of the Contractor's team





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Inclusion in the CPARS Forms (con't)



- **The Services, Operations Support and Information Technology form**
 - **Under Business Relations (Block 18d)**
 - **Assess the integration and coordination of all activity needed to execute the contract... management of subcontracts and **whether the Contractor met small business participation goals****



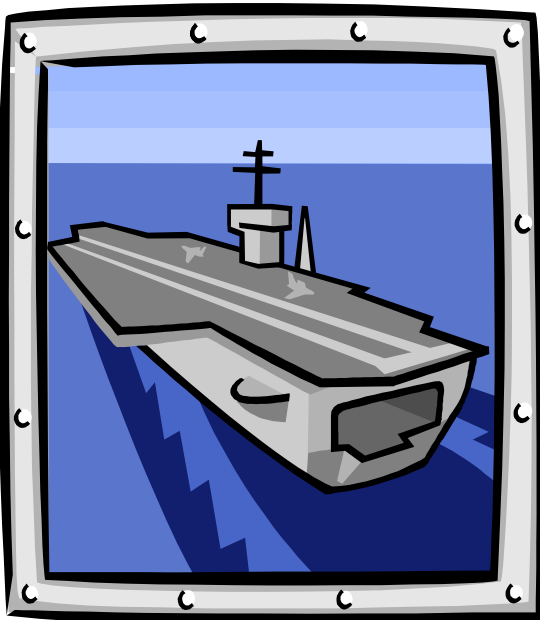


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Inclusion in the CPARS Forms (con't)



- The Ship Repair and Overhaul form
 - Under Management/Subcontract Mgt (Block 18d(2))
 - **Assess the Contractor's success with timely award and management of subcontracts, including whether the Contractor met small business goals**
 - Identify the percentage of contract work that was represented by the subcontracted efforts and assess the prime Contractor's effort devoted to managing subcontracts and whether subcontractors were an integral part of the Contractor's team





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Collection Responsibility



**So, WHO has
the
information?**

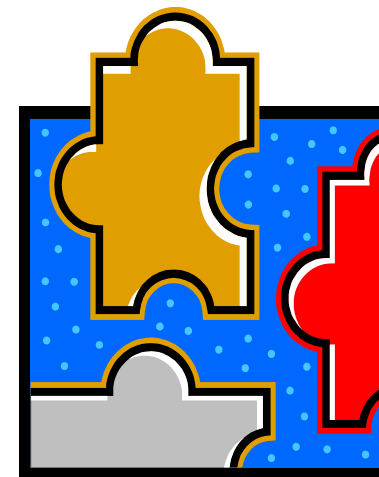


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Collection Responsibility (con't)



- **Administrative Contracting Officers are responsible for evaluating subcontracting plans and for monitoring, evaluating and documenting Contractor performance**
- **Information is provided to the Contracting Officer (buying office)**
- **Contracting Officer makes a good faith determination and may assess liquidated damages depending on the rationale provided by the Contractor for failing to make the goals**





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Collection Responsibility (con't)



In the CPARS, include the goals, actuals achieved and any rationale or good faith determination language to provide information to source selection officials on how this Contractor performed in awards to small businesses in subcontracting in the narrative of the CPAR





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Questions

